



# FLOWLINE

THE VOICE OF AUSTRALIA'S OIL AND GAS INDUSTRY

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## ENERGY FOR GENERATIONS

### FROM THE CHIEF EXECUTIVE'S DESK

## APPEA 2010: a truly special event for our industry

**The APPEA 2010 Conference and Exhibition promises to be a truly special event for our industry. Not only are we celebrating 50 years of APPEA, and 50 years of the APPEA Conference at the birthplace of our industry, we are also preparing for an even more dynamic and exciting energy future.**

Reading back over old council minutes, speeches and annual reports, it seems that some of the key issues for APPEA today are not so dissimilar to those of the past. In 1961, our first chairman (and industry legend) Reg Sprigg said 'the need for discovery of oil is one of national emergency and the government must concentrate on encouraging variety in effort'.

Despite the successes of our oil discoveries over the past 50 years, in 2000 Australia's oil production peaked and has been declining steadily ever since. While a modest rise in liquids production is possible in the near term, a continued downward trend is expected over the next decade, leading to a worsening liquids trade imbalance. Again the words of Reg remain true, 'exploration is not a sphere for pessimists, and Australia must recognise that it is still mostly pioneering country'. The potential for the discovery of a major new oil province in Australia is very real. Today, only around 20 per cent of Australia's sedimentary basins have been explored. Many onshore and offshore basins are only lightly explored, if at all, and could hold major resources. In cajoling governments and his colleagues all those years ago, Reg observed that 'negative thinking never found a barrel of oil'.

'Major Developments in the Search of Petroleum in Queensland 1900–1960' was one of the papers presented at the first APEA (as we were then known) conference. From 1960 to 2010 the major developments have continued. In 1969, natural gas

supplies from Roma to Brisbane commenced and since then, the operations of APPEA member companies have seen Queensland become a major supplier of natural gas for energy generation in the eastern states. This growth is set to continue as new major projects come online. The rise and rise of the coal seam gas industry is now transforming our industry. In 2007–08 CSG accounted for 7 per cent of gas production in Australia and this is expected to increase to 29 per cent by 2029–30. Of course it is the world's first CSG–LNG projects that are capturing everyone's attention. The technological advancements that have made these projects possible are a key milestone in the development and history of our industry.

The exceptional growth in Queensland is one part of a phenomenal transformation of our industry right across Australia. Technological advancements are enabling us to extract new resources from existing fields, to develop remote discoveries and to build new projects. With our abundant natural gas resources, we can reliably meet the growing energy requirements of Australian homes and businesses with cleaner energy. We have the largest expansion plans of any LNG exporter, potentially quadrupling our export capacity over the next decade or so. It is the energy requirements of our growing Asia–Pacific neighbours and their desire to utilise cleaner energy that could see Australia become a top tier global LNG exporter.

Thanks to the effort, determination, creativity and resources of APPEA's member companies, the industry that we so proudly represent is poised to deliver a new economic, environmental and energy era for Australia and the region.

Two key challenges, however, will require constant vigilance.

**continued on page 3**

FROM THE CHIEF EXECUTIVE'S DESK *continued*

'... ensuring that the highest community standards are met consistently ... and a visible demonstration of an industry that strives to improve the quality of the communities within which we operate.'

**continued from page 1** First, APPEA will have a critical role to play (as it has for the past 50 years) in working with governments to ensure that Australia is as internationally competitive as it can possibly be for attracting investment. The fiscal, regulatory and policy framework should continue to evolve in a manner that consciously and deliberately encourages investment while providing all the necessary assurances of responsible operations and performance.

Secondly, the industry, in recognising the level of public scrutiny that it attracts, must work actively and with determination to ensure that community-based issues are identified, understood and addressed quickly. Enjoying the support of the Australian people takes more than delivering jobs and wealth. It requires a commitment to ensuring that the highest community standards are met consistently and in all our operations, and a visible demonstration of an industry that strives to improve the quality of the communities within which we operate.

APPEA has played a key role in leading industry collaboration and development of best practice in a range of areas and will continue to do. The support of the community is essential to the success of our industry and best practice in all our operations is, of course, non-negotiable. These two challenges could represent the difference between the status quo and unprecedented industry activity and growth.

While more complicated, far-reaching and different in the specifics, I have a hunch that these overarching considerations are no different to what they were when APEA kicked off 50 years ago.

• STOP PRESS • STOP PRESS • STOP PRESS •

## YOUR AWARD-WINNING CONFERENCE

The APPEA Conference and Exhibition 2009 has won the Northern Territory state award for 'Association or Government Meeting of the Year' at the Meetings & Events Industry Australia annual awards.



2009  
Northern Territory  
Association or Government  
Meeting of the Year

## ENERGY FOR GENERATIONS



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## Gas Market Report launched

APPEA has recently launched a major *Gas Market Report* prepared by KPMG. The *Gas Market Report* presents the results of a study undertaken by KPMG into the structure and efficiency of Australia's gas market.

Topics addressed in the *Gas Market Report* include:

- an overview of Australian gas reserves and resources
- the nature and structure of the Australian natural gas market
- factors affecting the commercialisation of domestic gas resources (including those for export as liquefied natural gas (LNG))
- the impact of the gas export market on the efficient operation of the domestic gas market
- analysis of potential impacts of interventionist policies aimed at domestic gas volume/price control
- an outlook for the Australian gas market.

The report provides an overview of Australia's domestic gas market and the challenges, opportunities and dynamics that it currently faces in light of its increasing integration with the global LNG market and the Australian electricity market. The findings provide context for understanding how the current Australian gas market can operate efficiently and the longer term outlook.

The report will assist APPEA in establishing a current base of information about the industry.

## Major findings of the report:

- Gas production in Australia services both domestic gas demand (56 per cent) and the export LNG market (44 per cent). The outlook for gas is positive, as gas consumption is projected to grow by 3.4 per cent per year to 2029–30 and its share of primary energy consumption to rise to 33 per cent by 2029–30 (up from around 20 per cent).
- Australia accounted for 2 per cent of the world gas reserves and production in 2008, and is the world's sixth largest LNG exporter, accounting for 9 per cent of the world's LNG trade in 2008. By 2029–30, LNG exports are projected to reach 109 million tonnes (up from 14.4 million tonnes in 2007–08), reflecting an average annual growth over the period of 9.5 per cent.
- Conventional gas production currently accounts for 92 per cent of natural gas production, with coal seam gas (CSG) accounting for the balance. Over the period to 2029–30, CSG is expected to reach 29 per cent of production.
- Australia has no shortage of gas resources, across each of the east, west and Northern Territory markets.
- There is no need for interventionist policies to be introduced by governments to reserve domestic supply or control its price. Market forces suffice to establish the equilibrium between domestic and LNG supply at respective prices. Domestic gas reservation policies distort the market and discourage investment.



## ENERGY FOR GENERATIONS

*Providing essential industry advice and information on what needs to be done to plan for the future skills needs of Australia, and of the resources sector.*



### Resourcing the Future: preparing for a growing energy workforce

The National Resources Sector Employment Taskforce, chaired by the Hon Gary Gray AO MP, Parliamentary Secretary for Western and Northern Australia, released its discussion paper in March and has been travelling across Australia holding a series of consultation forums. The taskforce can make a major contribution to Australia's ability to underpin the future skills and labour needs of the oil and gas sector. Responses to the discussion paper offer the opportunity for Australia to take a significant step forward in understanding the nature and magnitude of the skills challenge and canvassing the full range of options for addressing the issue.

The shortage of labour and the need for an appropriately skilled workforce are regularly identified as key impediments to the growth of Australia's resources sector. While this is undoubtedly true, to precisely what extent and what actions are required is much less certain. This is where *Resourcing the Future* comes in.

The paper points out that 80 major new resource projects are proposed to commence operations in Australia by 2015. While it is unlikely that all of these will go ahead in the timeframe proposed, we should not underestimate the challenge that the continued growth of the resources sector presents for policy-makers and the industry itself in making sure that we have the right number of people with the right skills at the right time.

Given the number of variables that will affect the future growth of the industry, including Australia's investment competitiveness, the economic climate and international demand for Australian resources, it is impossible to forecast the industry's skill and labour needs into the future with a high degree of accuracy. Planning for uncertainty must be a key plank of the strategy and underscores the importance of a strong partnership between the industry and government, both have very significant, though different, roles to play. While there will be a need for specific training programs, many of which are conducted by industry, a greater public emphasis on maths, science, engineering and literacy benefits the national as a whole, not just the resources sector.

A key word will be flexibility. Flexibility in the structure of education and training programs could encourage higher participation rates of under-represented groups such as Indigenous people, women and older workers, and provide more suitable arrangements for apprenticeship completion as well as opportunities for retrenched workers. Providing for flexibility where workers live and study will also open the door to oil and gas employment opportunities for people all over Australia and overseas. The government has already taken positive steps in relation to skilled migration and the oil and gas industry will be keen to see further advances being made in this area.

Australia's oil and gas industry is working closely with the taskforce to provide essential industry advice and information on what needs to be done to plan for the future skills needs of Australia, and of the resources sector.

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## AERA report highlights Australia's abundant natural gas and dwindling crude oil reserves

On 1 March, the Minister for Resources and Energy, the Hon Martin Ferguson AM MP, released the *Australian Energy Resource Assessment* (AERA) report. Produced by Geoscience Australia and the Australian Bureau of Agricultural and Resource Economics, the AERA report was commissioned by the Australian Government Department of Resources, Energy and Tourism to provide a comprehensive and integrated scientific and economic assessment of Australia's energy resources.

It is the first time such an assessment has been undertaken.

The report comprehensively puts to rest any concerns about whether Australia has enough gas to satisfy a growing domestic energy market and take advantage of growing gas export opportunities. However, the picture for crude oil is more challenging. Australia's crude oil resources are in decline and, while boosted by condensate and LPG resources, can only be significantly extended through new discoveries in untested deep water basins and further growth or enhanced oil recovery at existing fields.

The report will play an important role in informed decision-making and policy development by painting a clearer picture of the vast nature of Australia's gas resources and the challenges facing Australia as a result of our declining oil resources.

### The AERA report found:

- **Gas is currently Australia's third largest energy resource.** Australia has significant conventional gas resources lying mostly offshore off the north-west coast of Western Australia with fields also in south east and central Australia. These support growing domestic demand in the three gas markets and liquefied natural gas (LNG) exports (of 15.4 million tonnes, worth \$10.1 billion, in 2008–09). Current demonstrated resources of conventional gas stand at 164 trillion cubic feet (tcf) and these figures do not include the gas resources in recent discoveries yet to be fully defined or the potential resources from new discoveries. Several major gas development projects with significant long term LNG export sales have recently been announced. Significant additional export capacity is also under construction and proposed
- **Australia has significant unconventional gas resources.** CSG resources and production have grown strongly and CSG is playing an increasingly important role in eastern gas markets. CSG total identified resources exceed 42 tcf with more likely to be available from the even larger estimated potential, in-ground CSG resources (CSIRO has estimated as much as 250 tcf could be available, which would seem to indicate future AERA reports will include significant upward revisions to CSG resource estimates). Plans have been announced for CSG exports in the form of LNG, from Queensland
- **Resources of crude oil are more limited and Australia has become increasingly reliant on imports for transport fuel.** Without significant new discoveries of crude oil, or development of condensate resources associated with offshore gas resources, or other alternatives, this dependence is likely to increase
- **ABARE's latest long-term Australian energy projections show Australia's primary energy consumption is projected to increase by 1.4 per cent a year out to 2029–30.** The primary fuel mix is expected to change significantly with the share of coal expected to decline to 23 per cent while the share of natural gas is expected to rise to 33 per cent, bioenergy to 6 per cent, and wind to 2 per cent
- **Australia's energy exports are projected to continue to grow to 2030 in response to increasing global demand.** Net energy trade is projected to increase by 3.9 per cent a year over this period, with exports of LNG expected to rise significantly.



## ENERGY FOR GENERATIONS



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## Tariff, research and development policy settings shape our energy future

**The recent attention that has been placed on the national tax reform process has obscured a number of other important policy reviews that will impact on the growth and investment in Australia's oil and gas industry. In particular, the research and development and tariff policies have become the subject of close scrutiny by the Australian Government. The industry will need to remain vigilant about the possible impact of changes on future investment decisions.**

While the research and development (R&D) taxation incentive and the tariff duty relief provisions target fundamentally different aspects of the industry's cost base, they have one important element in common — they seek to stimulate activity in key areas of business activity.

Shortly after being elected in late 2007, the Australian Government announced a wide ranging examination of the national innovation system (the so called Cutler Review). Amongst the terms of reference, the review panel was requested to examine aspects of the R&D taxation incentive. Following the review and as part of the May 2009 Budget, the Australian Government indicated its intention to 'simplify and enhance' the R&D tax provisions.

Following a period of consultation, exposure draft legislation was released late in 2009. Many in the business community raised concerns that the proposed changes would effectively undermine what was understood to be the policy intent of the regime. Amongst the matters of concern was a narrowing of eligibility and an increase in administrative complexity. The changes would see previously eligible R&D activities being rendered ineligible.

The Australian Government subsequently accepted, following a period of consultation, that a number of the proposed changes may have unintended consequences. This led to the release of a further round of draft legislation. At this stage, the issue remains a work-in-progress. The final outcome, however, will significantly impact on the R&D decisions of many in the business community.

Coinciding with the R&D reforms, the Australian Government has commenced a structured review of the duty relief provisions that apply under the Australian tariff system. Tariffs represent a highly inefficient cost burden on the business community, with the greatest impact being felt in capital intensive industries that are required to outlay significant sums on equipment during the construction stage of project lives. While tariffs have traditionally been used as a means of protecting and developing local industries (as well as generating government revenues), the duty relief provisions have provided a very important counter balance in assisting project developers offset potentially significant cost blow-outs.

In effect, tariff relief works on two levels. The first is through the tariff concession scheme (TCS) that is targeted towards a range of specified goods, while the second is through the operation of the enhanced project by-law scheme (EPBS). In practice, both regimes play an important role in providing cost relief.

In mid 2009, the Australian Government announced a series of proposed modifications to both schemes. In relation to the EPBS regime, a tightening of the guidelines in relation to what constitutes a 'functional unit' is proposed, as well as consolidation of a number of the requirements associated with the preparation of Australian Industry Participation Plans (AIPPs). AIPPs are a critical component of the EPBS system. A further review has recently been announced into the majority of items listed on the tariff concession schedule, while a more comprehensive review of the EPBS system is expected to be announced prior to the end of the current financial year.

The findings of numerous independent reviews that have been conducted over the last three decades into both tariff and industry policy have highlighted the inherent dangers and inefficiencies that accompany the use of tariffs. The Australian Government needs to carefully balance industry policy objectives with the benefits associated with capturing market opportunities through the greater use of gas, both in domestic and export markets.

Together with tax reform, the business sector will need to maintain a close watch on these important policy developments to ensure that we maximise the development of our resource base for the benefit of all Australians, both now and well into the future.

*Tariffs represent a highly inefficient cost burden on the business community, with the greatest impact being felt in capital intensive industries that are required to outlay significant sums on equipment during the construction stage of project lives.*



## ENERGY FOR GENERATIONS

## Momentum for a cleaner energy future must be maintained

**Notwithstanding the shift in emphasis in the climate change debate in 2010, and the 27 April announcement of a delay to the implementation of the proposed domestic emissions trading scheme, APPEA continues to contribute to the development of a national greenhouse policy response that moves Australia to a cleaner energy future.**

Policies aimed at reducing global greenhouse gas emissions must be national, environmentally effective, economically efficient and fair. They must also maintain the international competitiveness of those Australian industries that are the key to shifting the world to a lower emitting future.

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As Australia's climate change policy continues to evolve and developments continue throughout 2010, the natural gas industry will continue to apply and assess any scheme against a common sense test. That is, does it result in the expansion of cleaner energy sources including natural gas for domestic use and the growth of Australia's liquefied natural gas export industry? Importantly, the pause in progress on climate change policy responses at the national level must not be used as an excuse by any jurisdiction to implement high cost, uncoordinated, piecemeal measures.

The same is true of policy measures at the national level that cannot be comprehensively demonstrated to complement a carbon pricing system and cannot meet the Council of Australian Governments *Complementarity Principles for Climate Change Mitigation Measures*. Measures that cannot demonstrate complementarity in line with these principles should not be introduced.

To 2030, world energy demand will increase by 40 per cent, China and India will account for half of the increase. Electricity generated using natural gas emits 50–70 per cent fewer greenhouse gases than conventional coal fired power stations. When natural gas is used in place of coal to generate electricity in customer countries, 4.5 to 9 tonnes of carbon dioxide emissions can be avoided for every tonne produced to export LNG.

This means that natural gas is a key part of the world moving to a lower greenhouse emitting future and any credible policy measure must have this front and centre of its policy framework.

## DATES FOR YOUR DIARY

10 AUGUST 2010 | [www.appeasafetyconference.com.au](http://www.appeasafetyconference.com.au)

HSR  
Forum

## HSR Forum

The 2010 HSR Forum will again be held in conjunction with the APPEA National Oil and Gas Safety Conference (11–12 August 2010), maximising the opportunity to share information and network with industry colleagues, government representatives and non-government organisations.

The 2010 HSR Forum is an unmatched opportunity for workforce representatives from across Australia to come together to share their experience of health and safety, to share solutions, and to learn new ideas and skills to enable them to participate more effectively in achieving health and safety outcome.

11–12 AUGUST 2010 | [www.appeasafetyconference.com.au](http://www.appeasafetyconference.com.au)



PERTH, WA



## APPEA National Oil and Gas Safety Conference 'Safety for Generations'

In 2010, APPEA will again host its highly successful integrated safety event where everyone involved in the workplace will come together to talk about how to drive real improvements in the oil and gas industry's safety and health performance.

For the first time in 2010, the event will also host an exhibition space, enhancing the experience for all delegates through increased opportunities for information sharing and networking. The program will also incorporate concurrent streams customised for each of the following sectors within the industry: coal seam gas; subsea; and drilling.

31 AUGUST – 2 SEPTEMBER 2010 | [www.appeaenvironmentconference.com.au](http://www.appeaenvironmentconference.com.au)



## APPEA National Environment Conference

APPEA's 2010 Environment Conference will highlight the environmental issues and opportunities facing the oil and gas industry. The Conference will include presentations on new processes, policies and technology innovations that are allowing the industry to further improve its environmental performance.

The conference will also provide essential updates from governments and the latest science on improving understanding of how the industry interacts with the environment and how to better reduce the environmental impacts of the industry.

**SAFETY**



## Industry launches the Common Safety Training Program

On 25 March, Australia's oil and gas industry launched a new safety training program, initially for new employees working on offshore drilling and production sites. The Common Safety Training Program (CSTP) is a major initiative of the APPEA CEO Safety Leadership Forum (an annual coming together of the industry's chief executives and managing directors to talk about safety and *only* about safety).

The Common Safety Training Program is a significant step forward for the oil and gas industry and represents a new and rigorous approach to entry level safety training. It brings together a structured off the job program followed by a period of workplace demonstration. Participants must successfully complete both components to earn a 'Common Safety Training Card', issued by the industry's independent reviewer.

Initially developed for the offshore industry, the program will be progressively rolled out for onshore personnel including the coal seam gas sector in Queensland. Over a period of two years all existing personnel working on offshore production sites will also be assessed against the Common Safety Training Standard and be required to obtain a card.

Since the launch, and the subsequent implementation date (6 April), APPEA has been actively supporting the industry to meet the new requirement. APPEA and the CSTP Industry Management Group are currently working with a number of training organisations to authorise them to deliver CSTP in the Northern Territory, South Australia and Victoria. In Western Australia, IFAP and ERGT are the first training organisations ready to deliver the CSTP, and similarly, Baseline Training is ready to provide training in Queensland.

With over 20,000 new employees anticipated to join our industry over the next few years, the timing of this initiative is vital. While this is an exciting period of growth, it also brings challenges. Delivering on safety and ensuring everyone demonstrates the high safety performance essential to our industry will be critical.

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The unique style of the CSTP training is already being considered for other areas of the industry. It is widely acknowledged that competent supervision is one key factor in delivering safe work practices in the offshore oil and gas construction arena. A broad-based consultation process is currently underway with stakeholders regarding a business case for developing and implementing a Standard of Competence for Offshore Oil and Gas Construction Supervisors. This work seeks to outline the types of competencies required; training delivery methods; and a proposed model for assessing the competence of supervisors, and for providing industry-wide recognition of this assessment.

If you would like more information about the CSTP, or would like to speak to Steve Williams (*An Meá*) about the Supervisor HSE Competency project, then please visit the APPEA lounge in the APPEA exhibition over 16–19 May or visit the APPEA website.



## SAFETY

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## CEOs unite to improve safety performance in the CSG industry

**It's an exciting time of dynamic growth in our industry, including in Queensland. The rapid expansion of our industry operations is creating new employment opportunities and people new to our industry will fill many of the new jobs created.**

Our industry leaders are committed to ensuring new employees understand and share our commitment to a strong safety culture and continuous improvement in safety performance.

CSG industry leaders recently met in Brisbane for the second CEO Safety Forum, reaffirming their commitment to work together to improve the safety performance of the CSG industry.

The group opened the forum by signing the CSG CEO Safety Statement. The statement sets out commitments to achieve world class safety performance and defines the key priorities for the APPEA Queensland HSO Subcommittee in 2010.

The Queensland HSO Subcommittee was established in late 2009 and provides a forum for health and safety managers and operators to discuss key areas of risk in the industry and best practice operations. Priorities for 2010 are: improving vehicle safety, developing minimum drug and alcohol standards, establishing a common safety training program, simplifying safety legislation, and establishing an aero medical emergency response capability for the industry.

The CEO Forum recognised the challenges they face in changing the safety culture and improving performance with the rapid expansion of the workforce, particularly given the number of new entrants to the industry.

Communication of safety messages to front-line supervisors and workers, who are at the highest risk of sustaining an injury on the job, was acknowledged at the CEO Forum as an invaluable tool to improve the safety culture. Companies were urged to use the APPEA high potential incident (HIPO) alerts to take key lessons learnt from incidents to workers in the field.

HIPO alerts have been developed to share information on high potential incidents, that is accidents, events, or happenings of a serious nature that result in a major accident event, a performance standard not being met, a loss of containment, or which have the potential to cause a fatality or multiple fatalities. The HIPO alerts provide invaluable information and will help the industry implement strategies to prevent major incidents.

The third meeting of the CSG CEO Safety Forum will be held in May during the 2010 APPEA Conference and Exhibition in Brisbane.

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## SAFETY

## Stand Together for Safety 2010

Now in its second year, Australian oil and gas companies will participate in Stand Together for Safety during May. This groundbreaking initiative for the Australian oil and gas industry is a 'stop work' safety event held across company workplaces that contributes to improved safety performance. It provides a designated time for CEOs, executives, and senior managers to talk about safety issues directly with frontline workers.

The 2010 Stand Together for Safety 'kick-off date' was 3 May, with the event continuing to roll through the month of May, ensuring that all crews and teams can be involved. The 2010 theme is 'Safety for Generations' encapsulating the key messages of ownership, capability, leadership and accountability. The new Stand Together for Safety website [www.standtogetherforsafety.com.au](http://www.standtogetherforsafety.com.au) features a list of companies participating this year and will continue as a portal for sharing ideas, success stories and key outcomes from this initiative.

## EXPLORATION

## Geoscience Australia's current and forward Work Program in Offshore Frontier Basins, 2010–2011

**Over the next 18 months, Geoscience Australia's work program in offshore frontier basins will focus on five main areas, as shown on the accompanying map. They include:**

- **Capel and Faust basins**
- **Deepwater Otway and Sorell basins**
- **Mentelle Basin**
- **North Perth Basin**
- **Southern Carnarvon Basin.**

Each of these areas has been the subject of a program of new data acquisition under the Australian Government's \$75 million Offshore Energy Security Program which concludes in June 2011. The purpose of the program is to provide pre-competitive information to stimulate and maintain exploration in frontier areas by underpinning future offshore acreage release.

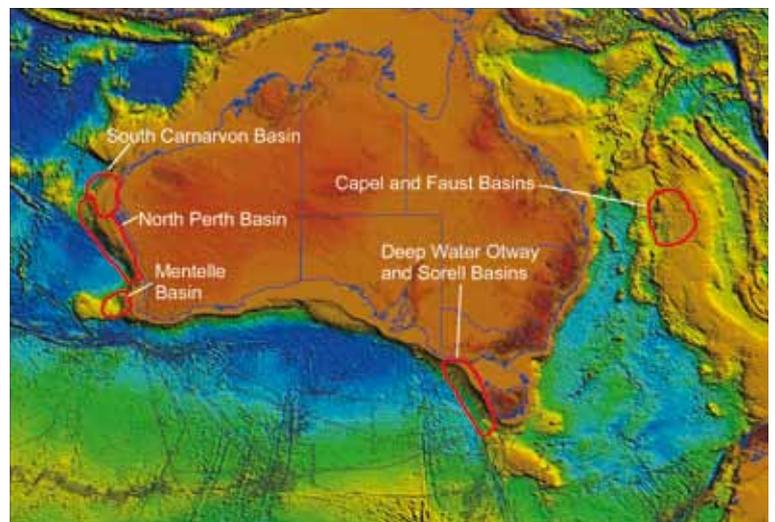
In the Capel Faust area, the project team is in the final stages of documenting the results of a four year study of new seismic, potential field and bathymetric data which has mapped a number of relatively large and deep rift basins.

The program in the deepwater Otway and Sorell basins involves the interpretation and synthesis of new aeromagnetic data, open file seismic and well data, and a review of potential basin analogues on the west African transform margin. The current study, which investigates the whole margin south from the Otway Basin to the south west corner of Tasmania, is scheduled to conclude in late 2010.

A study in the Mentelle Basin, incorporating new, regional seismic and potential field data acquired by Geoscience Australia in late 2008, together with earlier reconnaissance lines, has recently been completed. By analogy with the neighbouring Perth and Vlaming basins, the Mentelle is expected to contain active petroleum systems. Details of acreage release in this area are scheduled to be announced at the APPEA Conference in May 2010.

In the North Perth Basin, a team of geoscientists is currently interpreting new, industry standard 2D seismic and potential field data acquired by Geoscience Australia in early 2009, together with reprocessed open file seismic and available well logs. Some aspects of the study in the more inboard areas are scheduled to be completed in late 2010. Studies in the deeper water Zeewyck and Houtman sub-basins are planned to follow during 2011–2012.

Analysis of new, regional seismic and potential field data acquired in early 2009 in the Southern Carnarvon Basin, and on parts of the Wallaby Plateau will be completed in late 2010. In addition, Geoscience Australia has embarked on a regional study of structural and basement controls on basin formation along the entire south west margin of Australia to provide a consistent framework for the tectonic history of each depocentre.



### INDUSTRY DRILLING ACTIVITY MAP

For a map of Australia showing the location and status of recently drilled petroleum wells, current petroleum licence coverage, including available acreage, [click here](#)

Map provided courtesy of  
Encom Petroleum Information Pty Ltd  
T 02 9957 4117



February 2010–April 2010



**PitneyBowes**  
Business Insight

**Encom GPinfo**

## STATE AND TERRITORY NEWS

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## The biggest domestic gas development in nearly three decades — that's not market failure

**After years of WA business and industry talking up the need for a state energy policy, the wheels are well and truly turning with the Strategic Energy Initiative (SEI), as it has officially been dubbed, now underway.**

WA Energy Minister, Peter Collier, flagged his desire for a plan on energy in August last year and in November, he released a discussion paper which identifies the SEI's four goals — secure, reliable, competitive and cleaner energy — for ensuring a high standard of living and economic growth to 2030 and beyond. No argument there but you don't need to drill too deep to tap into a reservoir of differing views on what is meant by secure, reliable and competitive. For example, the SEI Issues Paper, released at the end of December, says secure energy means 'manageable' price movements within a 'predictable' range, and it means 'affordable' energy. These are subjective terms, open to interpretation, adjectives which infer constraints on, or interference in, the market, the very same market the paper wants us to consider making more competitive by removing impediments.

You hear the term 'market failure' so often these days it's a wonder we're not all heading for the hills. Too frequently and opportunistically it's used in the context of higher prices. Sorry, but higher prices do not constitute market failure. They are the means by which markets restore equilibrium; they are the trigger for investment in new supply which, in turn, will exert downward pressure on price. Market failure is when higher prices do *not* lead to more supply.

The good news is, the higher gas prices experienced at the height of the boom *did* trigger an investment in more supply. Indeed, the state's production capacity is expected to increase by more than 20 per cent towards the end of 2011 when the Apache Energy-operated Devil Creek project is commissioned. And BHP Billiton is advanced in its plans (with Apache) to develop the Macedon gas field, with a proposed production capacity of 200 TJ/d from 2013. There are other projects in the pipeline which, given sufficient long term demand, could double local capacity within 10 years.

In short, recent gas price rises have activated the biggest domestic gas development effort in almost three decades and, surely is proof the market has not failed but is working efficiently. In the development of the SEI, therefore, APPEA will be working hard to ensure that the message that competitively priced natural gas is the result of freely operating markets does not get lost in opportunism and prescriptive adjectives.

The WA Office of Energy will publish a directions paper in the near term, with the final SEI Report scheduled for the end of the year.

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## Queensland Government delivers significant training initiative for new careers in CSG-LNG

**Queensland Premier Anna Bligh, and Education and Training Minister Geoff Wilson, have announced a \$10 million flagship training program that will assist Queenslanders begin new careers in the Queensland coal seam gas (CSG) and Liquefied Natural Gas (LNG) industry.**

The CSG-LNG industry will provide a range of highly skilled employment opportunities and this training program will provide local communities access to the training they need to enter this expanding workforce. Announcing the program, Premier Bligh said 'the focus of the CSG-LNG Industry Training Program will be on up-skilling present mining industry workers and equipping newcomers with the required skills. For example, there are significant skill shortages for technicians in the areas of drilling, production, maintenance, electrical, instrumentation and logistics.'

This program will see the Queensland Government working in partnership with the industry to equip potential employees with the high technology skills required to work in the industry. As Premier Bligh said 'it's essential that our training system is geared to meet industry demand — that's why we're developing this program hand in hand with industry.'

This initiative is a great example of the Queensland Government and industry working in cooperation to create highly skilled career opportunities for local communities.



## MEMBER ACTIVITIES

## Dr Agu Kantsler — APPEA for life

**Dr Kanstler's extensive contributions to APPEA and the Australian oil and gas industry was recognised by the APPEA Board recently when he was awarded an Honorary Life Membership of the association upon his retirement from the Board at the conclusion of its March meeting.**

Agu Kantsler graduated with a B.Sc (Hons) degree in Geology from the University of NSW in 1974 and gained a Ph.D from the University of Wollongong in 1985. Agu is a career explorer. He joined Shell in 1979 as a junior geologist and worked assignments in Australia, Africa, Europe and SE Asia. His last position with Shell was as Exploration Manager for Shell Indonesia, following which he was seconded to Woodside Offshore Petroleum in Perth. At Woodside, Agu has been General Manager, New Ventures, later Executive Vice-President Exploration & New Ventures and most recently, Executive Vice-President Health and Safety. Over his career Agu has been directly associated with discoveries of oil and gas in excess of 3 billion barrels of oil equivalent.

Agu has contributed many of his latter career years to APPEA and the Australian industry. Agu joined the APPEA Council in 1996 and upon retirement in 2010 has been the longest serving Councillor/Board Member with over 14 years service. Agu was APPEA Chairman between 1999 and 2002. Later Agu chaired the *Platform for Prosperity* Industry Strategy Strategic Leaders Group and steered some delicate policy deliberations with the government during this time. During his time on the APPEA Council and then APPEA Board, Agu has been the Chairman of the Exploration, Skills Education and Training, and most recently Greenhouse committees. For his contributions to the Australian industry, Agu was awarded the industry's highest award, the Reg Sprigg Medal, in 2005.

Dr Agu Kantsler receives his APPEA Honorary Life Membership certificate from APPEA Chief Executive, Belinda Robinson.



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## The importance of being an independent

**Over its 50 years, APPEA has continually recognised the important role played by Australian independents. A raft of new initiatives has been agreed by the APPEA Board to ensure that opportunities for engagement with the sector are maximised.**

The electronic age represents a new opportunity for independent members to participate in APPEA policy committees. From 2010 APPEA independent members will be able to join policy committees as 'virtual' members, with full access to committee papers and minutes of the committees' deliberations, without necessarily attending meetings in person.

At the annual conference in Brisbane, APPEA will host an APPEA members-only Independents Forum. The forum will focus on issues affecting the independent sector including market and capital issues, and regulatory best practice. The forum will include an open discussion with APPEA Board members. Regular events will be held across Australia, for further information on these meetings please contact the APPEA Secretariat.

Members are welcome to approach APPEA Board Member, Mr Hector Gordon of Beach Energy Limited or Mr Ranga Parimala in the APPEA Secretariat to raise issues of concern that are impacting on this sector and may require APPEA's advocacy.

## KNOW YOUR MEMBERS



### Velseis Pty Ltd – associate member

#### Who is Velseis?

**Velseis Pty Ltd is an Australian seismic company, with over 30 years of experience in the Asia-Pacific region. Velseis offers 'high-end', fully-integrated seismic services to the petroleum, coal and mineral industries.**

Velseis is a 'full service' company whose operations encompass 2D and 3D design, surveying, shot-hole drilling and loading, data acquisition, data processing and interpretation. The extensive experience of key personnel ensures reliable and technically-innovative solutions tailored to meet the needs of individual clients.

#### What services do you offer the industry?

Velseis provides comprehensive seismic acquisition services, designed to accommodate geophysical, logistical, climatic, environmental and safety objectives. Velseis provides conventional onshore 2D and 3D data acquisition, including multi-component, heli-portable and shallow marine services. In keeping with Velseis' full-service approach, specialised shot hole drilling is offered through a subsidiary, Seisdrill. In addition, PT Velseis Indonesia provides comprehensive geophysical mineral logging services in Indonesia and SE Asia.

Velseis has an experienced seismic processing division, delivering 3D and 2D onshore, transition and marine processing services to the petroleum and coal sectors. Velseis is an industry leader in high-resolution seismic data processing and interpretation, and is at the forefront of 3D seismic mine-planning imagery.

Velseis' Research and Development Division engages in focussed research projects, and provides technical support to its field operations.

#### What has Velseis achieved?

From its inception, Velseis has concentrated on leading the field in providing superlative onshore data acquisition and processing, and in particular, high resolution seismic data. Velseis has always been conscious of maintaining a high standard of data quality whilst being aware of Cultural Heritage and environmental concerns. Velseis introduced the Mini-SOSIE technique and more recently, Envirovibe, Vibroseis buggies in Australia. Envirovibes are light-weight (8.5 tonne) articulated buggies which have a much smaller footprint than the larger, conventional Vibroseis trucks and buggies. Although these units are particularly useful for Velseis' high-resolution application, they have a proven track record in the shallow to medium depth petroleum and coal seam gas arenas.

Velseis has developed a comprehensive QHS&E system, which is being constantly revised and improved. The success of the Safety Management System and management's proactive attitude towards safety is evident through the lack of incidents and high Safety Audit scores awarded by Velseis' major clients.

#### What do you see as the biggest challenges?

The seismic industry is constantly changing with new targets, methods and environments being encountered. Velseis understands that it needs to keep pace with these changes and as such maintains its competitiveness with a proactive commitment to research and development as well as comprehensive training.



## KNOW YOUR MEMBERS



### Finder Exploration Pty Ltd – full member

#### Who is Finder Exploration?

Finder is a privately owned and operated oil and gas exploration company based in West Perth, Western Australia with a primary focus on capturing and de-risking prospective acreage on the North West Shelf of Australia. Finder also operates five permits in the Walton Basin, offshore southern Jamaica.

#### Finder Exploration business

Finder currently has a participating interest in the following offshore Australian exploration permits (see map below):

Carnarvon Basin Interests:	WA-418-P	100%*
	WA-401-P	100%* (subject to sale)
Browse Basin Interests:	AC/P 36	40%
	AC/P 44	60%*
	AC/P 45	67%*
	AC/P 52	55%*
Bonaparte Basin Interest:	NT/P 79	100%*
Bedout Sub-basin Interests:	WA-435, 436, 437 & 438-P	50%*

\*Operator

#### Recent achievements

In the last 12 months Finder has concluded farm-out, acreage assignment and divestment of permit interest agreements with:

Woodside and Hess	WA-401-P
Perenco (SE) Australia Pty Ltd	AC/P 44 and AC/P 45
Sasol Petroleum Australia Ltd	AC/P 52
Carnarvon Petroleum Limited	WA-435, 436, 437 and 438-P

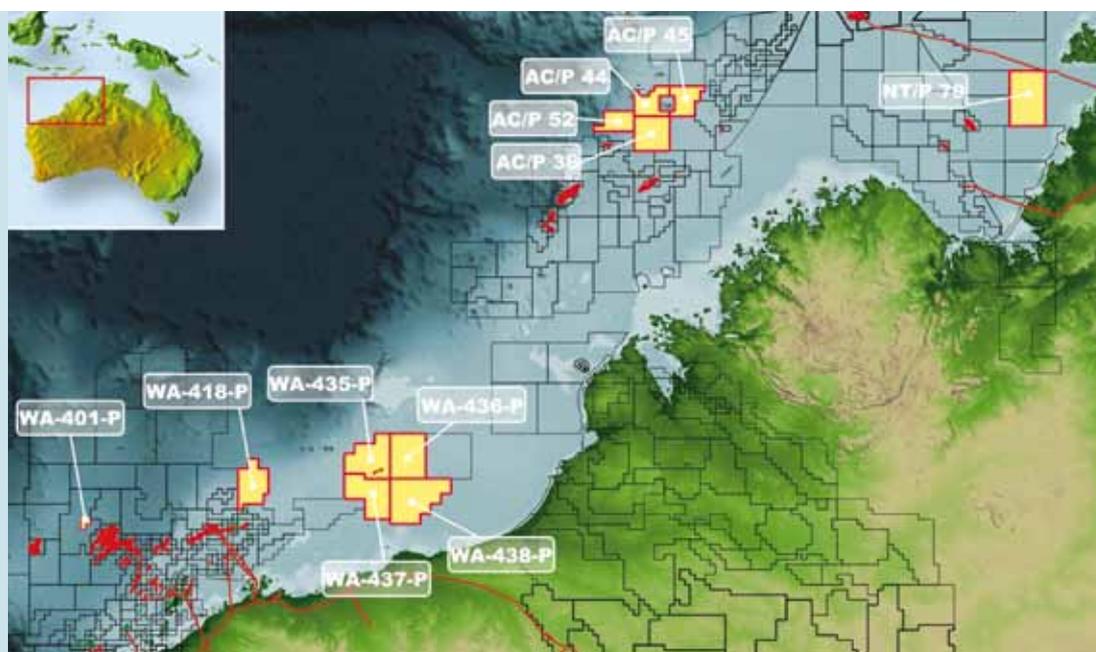
#### Current activity

In 2010, Finder is acquiring nearly 3000 km<sup>2</sup> of 3D seismic data over the majority of their Browse and Bedout Basin permits and will continue to seek new exploration opportunities.

Also in 2010 Finder will be commencing farm-out endeavours for the WA-418-P Permit in the Northern Carnarvon.

#### Finder Exploration: NWS Australia Acreage

For further information:  
[www.finderexp.com](http://www.finderexp.com)



**MEMBER ACTIVITIES: AN INDUSTRY ENGAGING OUR INDIGENOUS COMMUNITIES**

*Our industry's operations are often located in regional areas. Working collaboratively with local Indigenous communities is a key priority for our members and is central to the sustainable performance of our industry. Together, we're building strong community partnerships that provide education, training and employment opportunities, and improved environmental management.*

*In this edition of Flowline we are delighted to feature just a sample of some of our members initiatives.*

## Central Petroleum Limited — Central Forestry Project

**Central Petroleum Limited, is planning to plant up to 100,000 hectares of drought and salt resistant hybrid eucalyptus saplings and other species thought to be capable of thriving in areas with shallow water tables of up to moderate salinity.**

One thousand trees have already been planted at Ilpurla, south of Alice Springs, by the company's subsidiary, Central Green Pty Ltd, and the local Aboriginal Community lead by Barry Abbott. The scheme is designed to increase the in-ground carbon storage profile of the arid areas targeted for planting and deliver Central Petroleum what it calls a 'natural carbon credit offset' against its future petroleum product program, which may include the production of ultra-clean synthetic diesel, jet fuel and naphtha as well as liquefied natural gas (LNG).

Central's Land Access Manager, Bob Liddle, said the program would provide employment and training for many jobless or vulnerable Aboriginal youths and, potentially, a secure long-term source of income for many of the residents of Central Australia.

'As well as making absolute sense environmentally, we think this is an optimal contribution that we can make for our Aboriginal neighbours with whom Central Petroleum has been working very closely on a number of our projects,' said Mr Liddle.

'With Commonwealth support for Aboriginal communities shrinking and the growing drift of people from rural communities to regional centres such as Tennant Creek and Alice Springs, it is essential that resource companies like ours get involved in promoting Aboriginal employment in these marginalised areas,' said Mr Liddle.

Central's NT Area Manager, Doug White, said that another 5000 plants were due to arrive in Alice Springs and 3000 of these would be planted at Ali Curang north of Alice Springs. He said the water table in the area around Ali Curang is at a satisfactory high level and these trees should do well. The remaining 2000 trees will be planted at Ilpurla and Middleton Ponds on Tempe Downs Station.

Central Petroleum's Managing Director, John Heugh, said our aim is to incorporate some of our plantations on Aboriginal land within the framework of Aboriginal tradition, that is, without disrupting community lives and delivering tangible benefits to all parties, together with exploring and developing our leases diligently and in compliance with prudent operating principles.



## MEMBER ACTIVITIES: AN INDUSTRY ENGAGING OUR INDIGENOUS COMMUNITIES

## West Arnhem Land Fire Abatement Project— an Indigenous engagement/climate change initiative

**ConocoPhillips — operator of the Darwin LNG plant, considered various initiatives to offset greenhouse gas emissions from the facility. ConocoPhillips Australia's Vice President External Relations, Robin Antrobus said the most effective initiative was a joint project with the Northern Territory Government and Aboriginal people to undertake pre-emptive burning of strategic sections of the West Arnhem Land Savannah to reduce greenhouse gas emissions associated with the annual wildfire season.**

In August 2006, ConocoPhillips on behalf of the Darwin LNG joint venture, signed an agreement with the Northern Territory Government (NT Bushfires), the Northern Land Council (NLC) and indigenous landowners to establish the West Arnhem Land Fire Abatement Project (WALFA). ConocoPhillips (as operator of Darwin LNG Pty Ltd) agreed to provide A\$1m per year for 17 years to the Traditional Owners for the WALFA program, on the basis that significant benefits could be generated by the project with regard to social responsibility, environmental sustainability and monetary efficiency.

In just three years of operation — as the first agreement of its kind in Australia — the WALFA project has resulted in the reduction of approximately 500,000 tonnes of greenhouse gas emissions.

'Through WALFA, controlled grass fires are lit by up to twenty employed Indigenous rangers in the early dry season when fires are less intense, which have reduced wildfires, greenhouse gas emissions, while preserving the cultural traditions of Indigenous landowners in the Northern Territory,' said Mr Antrobus.

'In terms of true sustainability, WALFA is a real win-win situation for the environment, in terms of reduced greenhouse emissions and the social and economic benefits for the Indigenous people in the West Arnhem Land. Importantly, WALFA has created Indigenous jobs, providing role models and better career paths for Aboriginal children and has also supported the transfer of Indigenous knowledge between generations as elders work with young people,' said Mr Antrobus.

In August 2007, the WALFA project won the IAG Eureka Prize for Innovative Solutions to Climate Change presented by the Australian Museum.

WALFA is now recognised by Indigenous people of the Northern Territory and the Australian Government as a major success both in reducing long term greenhouse gas emissions, protecting fauna and flora, providing revenue and employment opportunities and preserving the cultural and heritage values of Aboriginal communities.

 ConocoPhillips



Photographer: David Hancock

**MEMBER ACTIVITIES: AN INDUSTRY ENGAGING OUR INDIGENOUS COMMUNITIES**

*'...the key to getting a real job is getting access to decent education and, perhaps more importantly, the opportunity to enter into a trade or tertiary opportunity after completing school.'*

## Never too early to be a good corporate citizen

**INPEX President Naoki Kuroda, in Darwin for the launch of the Larrakia Development Corporation's new trade training centre, told a top drawer audience of government and community guests INPEX believes it 'is never too early to be a good citizen'.**

INPEX and its Ichthys Project joint venture participant, Total Australia E&P, have contributed \$3 million to fund construction of the training centre on a 1.2 hectare LDC-owned site within the East Arm industrial area.

The centre will offer the vital tools needed to equip young workers, including Larrakia, Aboriginal and non-Aboriginal people, with the necessary skills to take advantage of developments in the Darwin region. Accredited qualifications in electrical, plumbing, refrigeration, metal fabrication and automotive mechanics will be offered, as well as life skills such as literacy and numeracy in a culturally sensitive environment.

President Kuroda, who travelled from Tokyo for the 29 March ceremony, said a cornerstone of the Ichthys Project's operating philosophy was to contribute to the host communities in which it operates.

'Through the Larrakia Trade Training Centre, the Ichthys Project will make an important contribution to the social and economic sustainability of the Darwin community,' Mr Kuroda said.

Federal Resources Minister Martin Ferguson, in thanking INPEX and Total for their contribution, said skilling the community was the key to overcoming social disadvantage.

'The only way we are going to solve those issues is by skilling the community. The key to overcoming social disadvantage is a real job. And the key to getting a real job is getting access to decent education and, perhaps more importantly, the opportunity to enter into a trade or tertiary opportunity after completing school.'

Mr Ferguson said INPEX should be thanked especially for establishing a new partnership with the LDC.

'Thank you for doing the right thing, not just by yourselves as a company, but also by the local community.'

Northern Territory Chief Minister Paul Henderson told the audience the trade training centre launch was 'another big step forward' in the journey toward the development of a project based on the Ichthys gas reserves.

Construction on the centre is underway and the LDC expects the Larrakia Trade Training Centre to open its doors for business in September this year. For more information see [www.larrakiatradetraining.com.au](http://www.larrakiatradetraining.com.au).

Photo Caption: Larrakia Development Corporation, INPEX and government celebrate the launch of the new Larrakia Trade Training Centre.



**MEMBER ACTIVITIES: AN INDUSTRY ENGAGING OUR INDIGENOUS COMMUNITIES**

Aboriginal Nyoongar Elder, Irene Stainton, INPEX's new senior Aboriginal Affairs Advisor.

## Perth elder takes up top job with inpex

**INPEX has appointed an Aboriginal Nyoongar Elder, Irene Stainton, as its new senior Aboriginal Affairs Advisor.**

Irene is part of a group of Aboriginal Elders who help protect Perth's Aboriginal cultural heritage and educate the broader community on Aboriginal heritage.

Irene has a long history in prominent and national Aboriginal advisory positions, with more than 30 years experience as a state public servant. She was the first Aboriginal person to become Registrar of Aboriginal Sites in Western Australia. Irene was also a member of the National Inquiry into the removal of Aboriginal and Torres Strait Islander children from their families and provided heritage advice to the Federal Indigenous Affairs Minister.

Irene said she wanted to work for INPEX because it was committed to sustainable economic development for Aboriginal and Torres Strait Islander peoples in both Western Australia and the Northern Territory.

'INPEX believes corporate social responsibility can make a difference in Aboriginal communities. It holds education and employment as a key to sustainable economic development,' Irene said.

In April 2009, INPEX signed an agreement with the Djarindjin Aboriginal Corporation for the long-term management of the Djarindjin-Lombadina Airport, 185 kilometres north of Broome in the Kimberley, Western Australia.

'The agreement provides the community with a sustainable income stream together with training and employment opportunities, while providing Browse Basin oil and gas providers and the community with a 24-hour, all weather airstrip,' Irene said.

Recently INPEX also signed a landmark memorandum of understanding (MOU) with the Larrakia Development Corporation (LDC) that will benefit the traditional owners of Darwin.

'This MOU highlights the value and importance INPEX places on engaging with local Aboriginal communities,' Irene said.

In addition to her busy work schedule at INPEX, Irene remains the Chairperson of the WA Museum's Aboriginal Advisory Committee, is a Board Member of the Berndt Museum of Anthropology and a member of the Commonwealth Government's Advisory Committee responsible for the repatriation of Indigenous cultural material.

INPEX Managing Director, Seiya Ito, is welcomed by members of the Djarindjin community.



## APPEA FLOWLINE GUEST ARTICLE

## CCS—a National Low Emissions Coal Council perspective

*'The council recognises strong links with the application of CCS to other high emitting industries using fossil fuels, such as LNG processing, steel, cement, and gas-fired power generation.'*

**Power generation accounted for around 37 per cent of Australia's carbon emissions in 2007. Fuel use for Australia's power generation comprises 84 per cent from coal and 12 per cent from gas, with the balance from renewables and other sources. Reducing carbon emissions from power generation to near-zero levels by 2050 is a key component of strategies to avoid damaging climate change. At the same time, power supply to meet growing energy demand has to be as reliable and affordable as possible.**

The National Low Emissions Coal Council was established by the Australian Government in 2008, with members drawn from the coal and power industries, the research community and governments. The Council's terms of reference focus on accelerating low emissions technologies for coal-fired power generation, in view of the strategic imperatives in this area. However, the Council recognises strong links with the application of CCS to other high emitting industries using fossil fuels, such as LNG processing, steel, cement, and gas-fired power generation.

In line with its terms of reference, the Council has provided a strategy to the government aimed at ensuring that low emissions coal technologies including CCS are demonstrated at a commercial scale from 2015 and can be commercially deployed by 2020. The Council's advice, which is under consideration by the government, has already played an important role in shaping selection criteria for funding projects under the CCS Flagships Program, and in framing a national low emissions coal research program targeted to support these projects' research needs.

Four shortlisted CCS Flagships projects have been announced by the Minister for Resources and Energy, the Hon. Martin Ferguson AM MP. These proposals are competing under the CCS Flagships Program for funding support for large scale, integrated CCS demonstration projects. Shortlisted candidates are the ZeroGen and Wandoan proposals based in Queensland, the CarbonNet proposal in Victoria, and the Collie South-West Hub proposal in Western Australia.

Such projects are essential to build investor confidence in CCS at commercial scale. CCS technologies are already utilised in some applications in the oil and gas sector; the Gorgon LNG project on the North West Shelf will be the biggest carbon storage operation in the world once complete, storing around 3.5 million tonnes of carbon dioxide each year. However, CCS for a power generation plant has not yet been demonstrated at commercial scale anywhere in the world.

As the Garnaut Climate Change Review noted, there can be a case for government intervention to support early movers that undertake the first demonstration and commercialisation projects in new technologies, where initial investors cannot fully capture the benefits and knowledge gained. As such, government support for CCS Flagships projects can be viewed in a similar way to the government support for petroleum exploration in the 1960s, which later benefited the industry more widely.

While international organisations such as the International Energy Agency (IEA) regard carbon capture and storage (CCS) as the only technology available to reduce emissions from large-scale fossil fuel use, it should be recognised that CCS is not a 'silver bullet', but may be a strong contributor to helping reduce carbon emissions.

Over the next few years as carbon emissions are priced, gas-fired generation for peaking and baseload power will increase — we are already seeing this. Along with uptake of renewables, this will lead to some immediate reductions in the emissions intensity of Australia's power generation. [But as the IEA points out, the magnitude of the challenge means that decarbonised coal-fired power has to come into play from the 2020s, and beyond this, possibly even decarbonised gas-fired power.]

**Dick Wells**

Chairman, National Low Emissions Coal Council



## 50 YEARS OF APPEA, OIL AND GAS POLITICS IN AUSTRALIA

APPEA is pleased to announce that the industry's historian and respected journalist, Rick Wilkinson, will be releasing a book at the APPEA 2010 conference that documents the key people that have shaped the evolution of the association and the history of oil and gas politics in Australia over the last 50 years. The book provides a fascinating insight into the industry.



## Knights, Knaves & Dragons: 50 years of APPEA and oil and gas politics in Australia

APPEA celebrates its 50th anniversary this year, but few realise that today's sophisticated professional organisation which represents Australia's entire upstream petroleum industry began as a desperate attempt by a few local explorers to be heard and taken seriously by the leading politicians in Canberra.

Sharing a passionate vision, these men completely rejected the prevailing notion that Australia was geologically too old to contain commercial oil reservoirs. Banding together in a small room in Sydney in December 1959 they formed the Australian Petroleum Exploration Association and began a campaign to convince the politicians, bankers, brokers, journalists and the general public that indigenous oil not only could be found, but had to be found as a matter of vital national security.

Branded an ad hoc bunch of crusaders by government, the initial APEA was a fiercely independent group which resisted the inclusion of the foreign oil companies into its ranks. During the next few years, gradually and a touch grudgingly, the founders realised that the best way forward was to present a united industry front. The overseas companies joined just as the golden age of Australia's oil discoveries dawned in the 1960s. Vindicated explorers had little chance to savour their finds before the government changed its tune and began to regard Australia's sudden move to self-sufficiency in oil as a lucrative source of revenue. APEA began a new campaign against what it saw as excessive taxation and over-regulation. It's a campaign that has continued on a number of fronts and at varying intensity ever since. The high pressure resource rent tax and cash bidding debates of the 1980s for instance, evoked rising tensions.

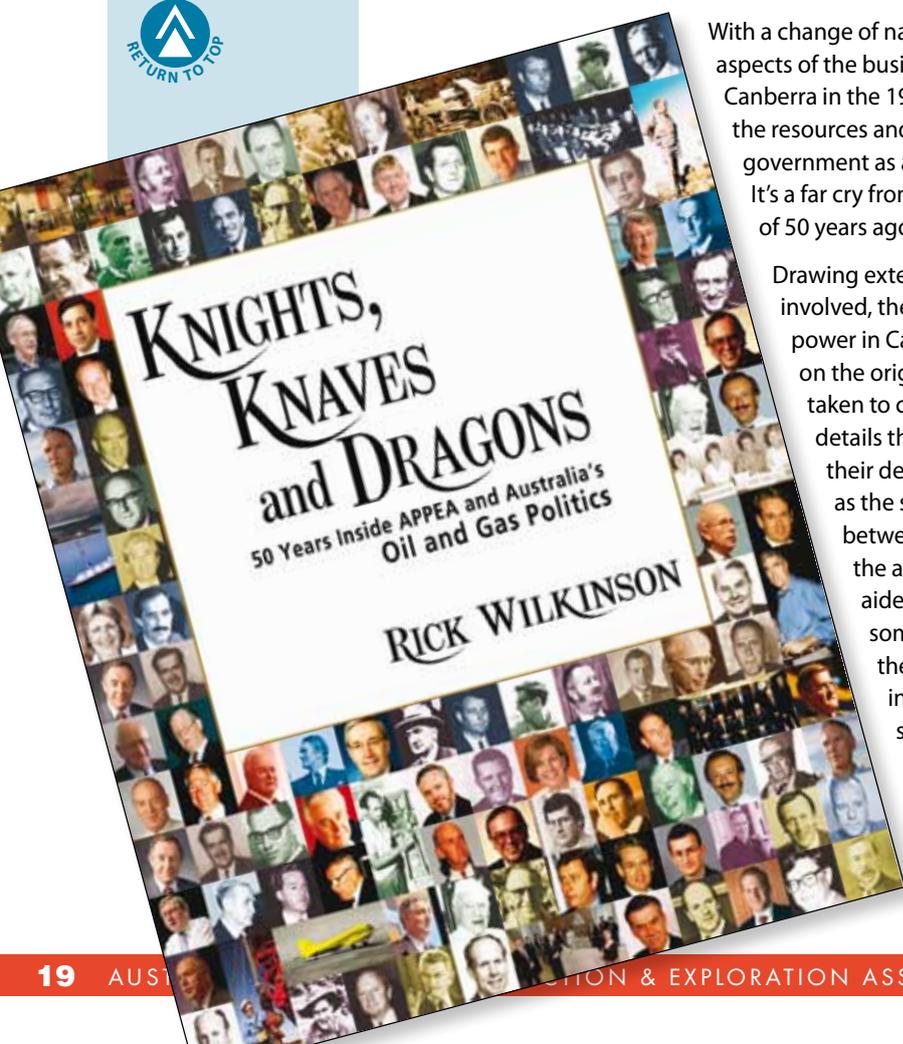
At the same time the association has tackled other common threads within the industry, including the need to establish a sound industry-wide code of environmental practice, the need to create a culture of health and safety for its employees and the need to give support to educational programs that bring fresh blood into the ranks as well as to inform the community at large. There has also been a shift in emphasis to champion the use of natural gas as an abundant, efficient environmentally-friendly fuel and no longer a commodity that is second prize.

With a change of name to take note of the importance of the production aspects of the business, APPEA moved its secretariat from Sydney to Canberra in the 1990s and has since become a premier body within the resources and energy sector that has gained the respect of government as a source of detailed research and considered advice. It's a far cry from the rowdy, sometimes ill-disciplined confrontations of 50 years ago.

Drawing extensively on the first hand experiences of those involved, the story goes behind the scenes into the corridors of power in Canberra and the offices of the secretariat to shed light on the origins of petroleum policy decisions and the measures taken to counter or temper their unwanted side-effects. It details the industry's relationships with energy ministers, their departments and other government bodies as well as the sometimes tense exchanges between member companies and the association itself. Above all and aided by hundreds of photographs, some published for the first time, the book profiles key people involved from all sides of the spectrum and reveals the personalities, the dedication, the fervour, the conflicts and the humour that often coloured the debates.



Rick Wilkinson



## A WORD FROM OUR SPONSORS



**AGL** is one of Australia's leading integrated energy companies and is building an upstream gas portfolio centred on CSG exploration and production. AGL operates the producing Camden CSG project near Sydney and operates significant exploration acreage in NSW. AGL also has a strong position in Queensland with a 50% interest in the

producing Moranbah CSG project as well as exploration interests in the Galilee Basin. AGL remains focussed on upstream growth opportunities.



**AJ Lucas** offers infrastructure engineering, construction and drilling services in Australia and the Asia-Pacific. We work with leading resources companies and governments to discover, extract and deliver coal seam gas; explore for minerals; drain mine methane; construct water projects and remediate environments. We've built pipelines for over

50 years, including several of Australia's largest, and are world leaders in HDD for both trenchless pipeline installation and CSG recovery.



**Aker Solutions** covers the entire onshore and offshore

value chain, from conceptual and feasibility studies, front-end design and detailed engineering, through procurement, project management, fabrication and hook-up, installation and commissioning. A leading provider of subsea systems from initial concept work through life-of-field support, design, manufacturing and installation activity, Aker Solutions is also an international provider of marine operations, subsea installation, mooring and floater installation, float-over and removal and geological analyses.



Apprenticeships Australia

**Apprenticeships Australia**, Energy Apprenticeships Group, delivers a customised service to meet the oil and gas industry's unique apprentice and trainee needs. CCIWA provides a dedicated team with extensive

oil and gas industry experience delivering first class apprentice and trainee programs across the full spectrum of apprentice, trainee and cadet vocation choices. CCIWA is a joint venture partner with the Australian Centre for Energy and Process Training (ACEPT) which is endorsed by APPEA. The joint venture aims to deliver a world class service to the energy sector.



**Arup** is a global consulting firm that provides specialist engineering skills for the oil and gas sector. Our focus includes water management for upstream CSG, geotech and

civil engineering for pipeline routes, marine facilities, generation and LNG plants. Arup also provides innovative engineering solutions for offshore and onshore structures, floating facilities, fuel loading jetties, and LNG and hydrocarbon storage. Arup has more than 1400 staff in Australia, with oil and gas expertise ranging from environmental and regulatory approvals through to detailed civil design.



Atwood Oceanics

**Atwood Oceanics** is a premier international offshore drilling and

completions contractor with rigs and operational offices worldwide. Atwood places great emphasis on safety, efficiency and reliability of service and constantly monitors industry trends to identify innovation and advances in drilling technology. Atwood Oceanics Australia Pty Ltd began operations in 1972 and has drilled offshore Australia using drillships, jack-ups, semi-submersibles and platform rigs. Deepwater rig 'Atwood Eagle' will be joined in 2011 by newbuild deepwater semi-submersible 'Atwood Osprey'.

Australian Drilling Associates Pty Ltd



**Australian Drilling Associates (ADA)** is an independent Well

Engineering and Drilling Project Management company, with specific expertise in managing drilling consortiums for multi-operator offshore drilling campaigns. ADA is structured to operate as a traditional oil company drilling department, and provides our client operators with immediate access to a multi disciplined project management team. ADA's core strengths are in our collective industry knowledge, international experience, and ability to deliver projects on time, meeting or exceeding operator's objectives efficiently and safely.



**Beach Energy Limited** is one of Australia's top 10 ASX listed oil and gas exploration and production companies. With proved and probable reserves of 66 MMboe, forecast 2010 production of 8 MMboe, and a global portfolio of more than 300 exploration and production tenements in Australia, and other locations

including Egypt, Tanzania (application in progress), New Zealand, and Papua New Guinea, Beach seeks to maintain a balanced portfolio that can deliver consistent long-term cash flow, production and reserves.



**Bergen Oilfield Services (BOS)** is a Norwegian offshore seismic survey company. We manage the whole value chain from vessel ownership, data acquisition through to processing; ensuring a high quality and on time response. BOS fleet consists of: BOS Atlantic (2D, 1X12km), BOS Angler (2D/3D, 6X4.5/EM/OBS) and BOS Arctic (3D, 6X6km). We are driven

by and committed to deliver high levels of service quality, innovative solutions and expertise of our employees.



**BHP Billiton** is a significant oil and gas exploration and production business with major producing assets in Australia, Algeria, Pakistan, Trinidad and Tobago, United Kingdom and the United States. BHP Billiton Petroleum conducts an international exploration and development program as well as marketing

crude oil, condensate, liquefied petroleum gases, natural gas and liquefied natural gas to customers worldwide.



## A WORD FROM OUR SPONSORS

### Blake Dawson

**Blake Dawson** is one of Australia's largest law firms. We have 11 offices

across the Asia-Pacific region. We provide legal services to leading corporations and government clients. Our clients include 75% of the ASX Top 100 companies. We are proud to have advised on some of the largest and most complex deals in Australian corporate history. We focus on energy, resources and infrastructure, and are recognised as one of the leading practices in the region. [www.blakedawson.com](http://www.blakedawson.com)



**BP** is one of the world's largest energy companies, providing its customers with fuel for transportation, energy for heat and light, retail services and petrochemicals products. BP has operated in Australia for more than 90 years, is a foundation participant in the North West Shelf Venture; is developing its share of

resources in the Browse and Greater Gorgon areas; and is a leading refiner and marketer of fuels and lubricants.



**Brisbane Marketing** — a wholly-owned subsidiary of Brisbane City Council — is the city's economic development agency. We

promote Brisbane as Australia's new world city and create economic value for local residents and businesses through various business sectors including, CBD and Queen Street Mall retail, convention bureau, export, investment attraction, leisure tourism and major events. [www.brisbanemarketing.com.au](http://www.brisbanemarketing.com.au)



**Buru Energy** is one of the largest and most active of Western Australia's onshore oil and gas explorers with rights to approximately 75,000 square kilometres of leases in the Canning Basin region, in the north west of Western Australia. The company has access to all of the major petroleum systems in the

Canning Basin and is undertaking a regional review and exploration program including a planned 6 well exploration drilling program and the acquisition of in excess of 700 kilometres of 2D seismic data in 2010.



**CGG Veritas** is a global geophysical company, delivering

since 1931 superior images of the earth's subsurface to our oil and gas company clients to help them find and produce hydrocarbons both onshore and offshore. Our company is the only one of its kind to develop, sell and support the complete range of geophysical products and services. The singular focus on the full spectrum of geophysics makes us unique in the E&P industry and ensures we create the best solutions to meet the local geological challenges faced by our clients.



**CHC**

**CHC Helicopters (Australia)** is the world's largest helicopter services

company, we have found that a total dedication to safety is not just good for peace of mind, it's good for business. Our safety and

quality management system is integral to our corporate business plan, bringing the expertise and knowledge of the entire CHC group. At CHC we have a culture of constant improvement when it comes to safety. Diligence, consistency, integrity and transparency are our watchwords.



**Chevron** is one of the world's leading integrated energy companies and has been present in Australia for more than 50 years. Chevron Australia operates Australia's largest onshore oil field on Barrow Island together with the Thevenard Island oil fields. The company is leading the development of the Gorgon and Wheatstone Projects and is also a participant in the North West Shelf Project and Browse LNG

development. Chevron's Perth-based Global Technology Centre provides technology solutions to the company's Australian and global operations.



**Clough** — established in 1919, delivers an integrated Engineering, Procurement

and Construction service to oil and gas projects in Australia, South East Asia and the USA. The group's services range from concept development through design, construction, installation, commissioning, operations and maintenance. Backed by an experienced management team, over 2000 personnel around the world and sophisticated project management systems, we are recognised for our commitment to safety, sustainable development and the wellbeing of the people, communities and environments in which we operate.



**The Cooperative Research Centre for Greenhouse Gas Technologies**

(CO2CRC) is one of the world's leading collaborative research organisations focused on carbon capture and geological

storage (CCS), with partners from Australian and international industry, universities and research bodies, and Commonwealth, State and international government agencies. CO2CRC is addressing the key challenges to large scale commercial deployment of CCS, through applied research in the laboratory and the field, and through pilot and demonstration projects such as the CO2CRC Otway Project.



**Coffey International Limited (CIL)** is a listed company (ASX: COF). Operating for nearly 50 years, CIL has over 4000 people working on projects in more than 80 countries with offices throughout Oceania, the Americas, Africa, Asia and Europe. Our businesses include Coffey

Commercial Advisory, Coffey Environments, Coffey Geotechnics, Coffey Information and Coffey Projects. Our specialist businesses work in social and physical infrastructure markets, utilising specialist knowledge to solve emerging challenges and improve the lives of communities.



## A WORD FROM OUR SPONSORS



**ConocoPhillips** is an international, integrated energy company which operates worldwide with assets and businesses in nearly 40 countries. ConocoPhillips Australia is an oil and gas exploration and production company, with assets and exploration activities in the Timor Sea, Northern Territory, Western Australia, Timor-Leste and Queensland. The major producing assets are the Bayu-Undan gas condensate field in the Timor Sea, Darwin LNG plant in the Northern Territory. The company also has a joint venture with Origin Energy, Australia Pacific LNG—a new Coal Seam Gas to LNG project in Queensland.



**The Consulate General of Canada** can help your organisation trade with, invest in or seek technology from Canada. As the third largest natural gas producer and the seventh largest oil producer in the world, Canada's oil and gas industry is recognised internationally for its expertise in extraction equipment, drilling technologies, pipelines, and engineering and environmental services. There is a growing number of Canadian firms supplying cutting edge equipment and services to the Australian industry, especially in the areas of conventional and unconventional gas.



**Cue Energy Resources Limited**

**Cue Energy** is an Australian based small cap independent oil and gas Exploration and Production Company. Established in 1981 and listed on the ASX, NZX and POMSOX, it has exploration and production assets in Papua New Guinea, Indonesia and New Zealand, and exploration interests in Australia in the offshore Bass and Carnarvon Basins, and in the Cash Maple gas field. Cue currently produces approximately 1900 barrels of oil per day. Gas production began in Indonesia in October 2009.



**DORIC Group** is a general contractor with three separate divisions, DORIC Construction, DORIC Engineering and JAXON. The three divisions allow DORIC to be involved in a wide scope of projects in a diverse field of industries. We undertake a range of projects which have all types of complexities including hospitals, educational facilities, shopping centres, entertainment venues, industrial buildings, resource-based buildings and facilities, offices and commercial buildings whilst the engineering side of the business concentrates on projects in water, transport, resources, oil and gas and energy.



**DRET** The 2010 Offshore Petroleum Exploration Acreage Release will be launched by Australian Resources and Energy Minister, the Hon Martin Ferguson AM MP, at APPEA 2010. The Acreage Release is underpinned by a comprehensive information package prepared by the Department of Resources, Energy and Tourism, in collaboration with Geoscience Australia—Australia's preeminent geological research organisation—providing pre-competitive geological and geophysical datasets and analysis on acreage release areas.



**easternwell GROUP**

**Easternwell Group** is Australia's leading integrated services company offering flexible, innovative and cost effective solutions to oil and gas exploration companies and the wider energy industry. As a result of the merger between Easternwell Group and Australian Drilling Solutions, Easternwell is now a part of a national operation with a diverse range of drilling and servicing capabilities supporting the high-growth energy, minerals and infrastructure sectors. Easternwell provides a fully integrated service which includes well servicing, drilling and remote site camp management.



**Eni** is one of the world's leading integrated energy companies, operating in oil and natural gas, refining and marketing, power generation, petrochemicals, engineering and construction. Present in Australia since 2000, Eni operates the Woollybutt oil field in the Carnarvon Basin (65%), the Blacktip Project (100%) in the Bonaparte Basin, the Kitan Project (40%) in the JPDA and is a partner in the Bayu-Undan Project and Darwin LNG (10.99%). Eni has an active exploration program in Australia and Timor-Leste with exploration acreage of about 59,000 km<sup>2</sup>



**Ernst & Young**—to remain competitive in a dynamic, growing marketplace, today's oil and gas companies require a sophisticated, long-term approach to business strategy. We have more than 7500 resource professionals around the world with experience in providing assurance, tax, transaction and advisory services—wherever your business is, we can help you achieve your potential. As a proud sponsor of the 2010 APPEA Conference, we can help you explore the possibilities before you go or examine the opportunities once you're there—it's how we make a difference.



**The ExxonMobil Group of Companies** in Australia is the country's largest integrated oil and gas company, with a total investment of over A\$13 billion. ExxonMobil Australia's upstream business is conducted through Esso Australia Resources and Mobil Exploration and Producing Australia. Esso operates the Bass Strait offshore oil and gas fields and associated production and processing facilities. In Western Australia, the company is a 25% co-venturer in the Gorgon project.



**Fragomen** is internationally recognised as the leading global immigration services firm. We employ over 1300 immigration professionals in over 30 offices worldwide, with five offices in Australia. Fragomen's Australian immigration team is dedicated to advising in all aspects of Australian immigration law. With our extensive immigration knowledge, we assist companies with visa requirements for temporary and permanent movement of their foreign national staff, including immigration program management and compliance assistance.



# 2010 APPEA CONFERENCE AND EXHIBITION

## A WORD FROM OUR SPONSORS



Gaffney, Cline & Associates

**Gaffney Cline & Associates (GCA)** is an international advisory firm focused on the provision of integrated technical and managerial services and independent advice to all sectors of the oil and gas industry. For over forty five years GCA has provided both broad-based and detailed advice resulting in solutions-orientated, commercially viable and practical results designed to meet our client's specific requirements. GCA's across the board expertise — upstream, mid-stream and downstream — combined with the use of multidisciplinary teams encourages flexibility and responsiveness that adds value to all our clients and projects.



Australian Government  
Geoscience Australia

**Geoscience Australia** is Australia's national geoscientific agency. As part of a five-year Energy Initiative totalling \$134 million over five years (2006–2011) the agency has acquired new data that is being applied to offshore and onshore basin studies. Its Petroleum and Marine Division provides pre-competitive data and information to industry to stimulate and support petroleum exploration in Australia. The Division undertakes regional basin studies, assessments of hydrocarbon resources and provides geoscientific data in support of the annual acreage release round.



### Hill International

The Global Leader in Managing Construction Risk

**Hill International** is a publicly listed management consultancy with 2400 staff worldwide offering project management, construction consulting and risk management services. With a global reach, Hill has worked on some of the largest and most prestigious international oil, gas and petrochemical projects. This unique and extensive expertise gained over nearly 40 years combined with extensive professional resources means that Hill can meet the specific needs of clients and projects worldwide.



**Icon Energy Limited** is a coal seam gas, oil and geothermal exploration company, conducting environmentally responsible operations with strategic partners in order to maximise Icon's assets. Icon's focus is coal seam gas production in the Surat Basin. Icon (ICN) listed on the ASX in 1997 and reached the ASX Top 300 (S&P) in 2009. Icon Energy holds a diverse acreage portfolio located in the Surat, Eromanga and Cooper Basins.



**IDM Partners** is a leading provider of infrastructure development and management services. Our team comprises experienced strategists, project managers, engineers, land access and approvals specialists, and project planning and controls professionals. IDM Partners currently manages projects in the gas, water and power sectors worth over \$1.5 billion, across all stages of development from feasibility through to construction.



**John Holland** is Australia's leading and most diversified

contracting, engineering and services provider, driven by its unique delivery model, combining national specialist skills with strong regional civil construction and building businesses. Its energy and resources business delivers project management, engineering and construction services to the energy, resources and industrial sectors. It specialises in the development, design, construction and commissioning of mining, marine, resource and energy infrastructure projects.



**JRS Petroleum Research** is a leading geomechanics and image log consultancy that prides itself on making sense of complex datasets and facilitating client understanding. Solutions are specifically tailored for individual clients utilising their flexible proprietary software suite. Over the past nine years JRS has worked throughout Australasia on a vast array of projects and continues to grow with their reputation.



**KPMG** is a leading provider of professional services to the oil and gas industry, offering an extensive array of disciplines (audit, tax and advisory) to support upstream, downstream and services organisations.

KPMG's global oil and gas practice supports Australian and international organisations investing in all stages of the project lifecycle from exploration and acquisition, through to developing and operating significant projects — all over the world.



**Leighton Contractors** is one of Australia's leading contracting and project development groups, with over \$8.8 billion work in hand and employing more than 9000 people across Australia and New Zealand. Leighton Contractors services clients across energy, construction, telecommunications, resources, infrastructure and facility management and other industry sectors. The Industrial & Energy Division delivers multi-disciplined projects to clients across the power, energy and process industry sectors.



**Magellan Petroleum Australia Limited (MPAL)** has engaged in oil and gas exploration and production in Australia for more than 50 years. Significant capital structure and

management changes at its parent, Magellan Petroleum Corporation, over the past year have refocused MPAL's efforts in Australia and led to the acquisition of a 40% interest in Evans Shoal offshore the Northern Territory with a view toward development. MPAL continues to move towards its goal of becoming a unique, mezzanine level oil and natural gas development company.



# 2010 APPEA CONFERENCE AND EXHIBITION

## A WORD FROM OUR SPONSORS



**OMV Australia** has been active in Australia since 1999 and currently has interests in seven operated and two non-operated exploration permits located in the offshore Carnarvon Basin. OMV Australia is a wholly-owned subsidiary of OMV Aktiengesellschaft, one of Austria's largest listed industrial companies. As the leading energy group in the European growth belt, OMV is active in Refining and Marketing, Gas and Power and in Exploration and Production is active in 17 countries on four continents.



**Origin Energy** is Australasia's leading integrated energy company focused on gas and oil exploration and production, power generation and energy retailing. Listed in the ASX top 20 the company has approximately 4000 employees, is a leading producer of gas in eastern Australia, is the largest owner and developer of gas-fired electricity generation in Australia and is a leading wholesaler and retailer of energy. The company services more than 3.5 million electricity, natural gas and LPG customers across Australia, New Zealand and the Pacific.



**Osaka Gas Australia Pty Ltd** is the Australian subsidiary of Osaka Gas Co., Ltd, one of the world's largest gas companies. Since last year's conference the Osaka Gas group has completed its acquisition of an equity stake in the Gorgon LNG project and expanded its portfolio of pipe and power assets and signed offtake contracts for LNG from Gorgon and PNG. Osaka Gas Australia is focusing on upstream assets and has equity in the Gorgon and Sunrise LNG projects, Evans Shoal and the Crux liquids project.



**Piper Alderman** is a full-service, commercial law firm with offices in Sydney, Melbourne, Brisbane and Adelaide. We have 55 partners, over 160 lawyers and more than 325 staff in total. Piper Alderman has extensive experience advising clients in the resources sector. Our services take into account the unique risks and rewards of the sector and include advising on commercial, licensing, regulatory, emissions trading, employment, environmental, native title and dispute resolution matters.



**PSN** (Production Services Network) is a global provider of engineering, construction, operations, maintenance and project management services, primarily to the oil and gas sector. Established in 2006, PSN employs 8500 people, operates in more than 30 countries and has an order book valued at \$2.4 billion. PSN's Australian operations is the company's largest international business unit and with more than 1000 personnel, PSN is now the largest contractor servicing the hydrocarbon market on the Australian east coast.



**RPS** is an international consultancy offering comprehensive and independent technical support to clients in Australia, New Zealand, SE Asia and other international regions. RPS is the solution for complete outsourced project solutions, full multidiscipline teams or specialist individual consultants. RPS offers services in technical geoscience and petroleum engineering, safety and risk assessment, HSE training, environmental planning, approvals and advice, marine ecology and MMOs, seismic and drilling bridging documents, seismic operations and process control, physical oceanography and measurement programs and numerical modelling.



**Santos** — an Australian energy pioneer since 1954 — is one of the country's leading gas producers, supplying Australian and Asian customers. Today, Santos supplies 18% of Australia's natural gas needs — more than any other company. Santos has 2200 employees working across its operations in Australia and Asia, and is in the top 25 ASX companies by market capitalisation. Santos is uniquely placed to meet the region's energy needs, with abundant gas resources underpinning transformational growth projects such as GLNG in Queensland.



**Sasol Petroleum International** headquartered in Johannesburg, with regional E&P offices in Mozambique, London and Sydney, Sasol Petroleum International, a wholly owned subsidiary of Sasol Limited, is focused on securing gas reserves to enable Sasol's future gas-to-liquid (GTL) ambitions. Oil and gas ventures in seven countries (as operator and non-operator): gas production, Mozambique; profitable crude oil partnership in the Etame oilfield, Gabon; Unconventional gas exploration, South Africa; 2008 farm in (four licences), Papua New Guinea; 2008–09 farm in (two licences), Australia (NW Shelf).



**Sinopec International Petroleum Exploration and Production Corporation** (SIPC) is the overseas upstream wholly-owned subsidiary of Sinopec. Sinopec, a Chinese state-owned energy company, is ranked 9th on Fortune 500. The company has 4+ billion BOE of Proven Reserves (70% oil) and has annual production of 300 mmbbls and 300 BCF from over 45 projects. SIPC's current focus in Australia is obtaining equity interest and offtake in LNG projects. Domestic gas, CSG and oil projects are also being sought.



**TAD Pty Ltd** is a leading provider of engineering and technical employment services and solutions. Over 40 years we have built our reputation on providing reliable and responsive service through the delivery of highly qualified personnel. At TAD, we pride ourselves in offering an individual approach to each of our clients, helping organisations meet their business goals. With offices located nationally and an international network across five continents, we are the ideal provider for permanent and contract engineering and technical staffing solutions within the oil and gas industry.





## TALISMAN ENERGY

**Talisman Energy Inc.** (TSX: TLM) is an independent upstream

oil and gas company headquartered in Calgary, Alberta, Canada and operating in 14 countries. Its main business activities include exploration, development, production, transportation and marketing of crude oil, natural gas, and natural gas liquids. Primary operations are centered in Southeast Asia, North America, and North Sea. Southeast Asia has been identified as a core growth area where Talisman has embarked on a successful gas aggregation strategy in Papua New Guinea where it now holds interests in 12 blocks.

## Tap Oil

**Tap Oil Limited** is an independent oil and gas exploration and production company with Australian and International interests. Tap generates cash flow from assets in Western Australia (WA): the Harriet

Oil and Gas Fields, the Woollybutt Oil Field and profitable third party gas contracts. Tap has a conservative balance sheet with no debt and \$60 million cash. Tap has a number of quality growth opportunities in its exploration portfolio. Notable amongst these are Block M, onshore Brunei; T/47P in Bass Strait; WA-351-P and WA-290-P off the WA coast; along with Accra PA offshore Ghana and SC 41 in the Philippines.



## TOTAL

**Total E&P Australia** is the Australian subsidiary of Total, the fifth largest publicly-traded integrated international oil and gas company and a world-class chemicals manufacturer, operating in more than 130 countries with around 96,000 employees. Total E&P Australia holds exploration interests offshore north-west Australia including a 24% interest in the INPEX operated Ichthys gas field. The Ichthys project, will comprise offshore production facilities, an approximately 850km pipeline and a two train LNG plant located in Darwin.



**WDS Limited** provides a specialist pipeline construction and facilities installation service to the onshore oil and gas industry in Australia. WDS provides an EPC service in wellhead

connections, flowlines, transmission lines, gas compression, pipe spooling, mechanical installation, fabrication, instrumentation and electrical and maintenance type work. This experience extends to all aspects of coal seam gas (including drilling) and to water pipelines and water treatment plants.



## woodside

**Woodside** is an independent Australian oil and gas company playing a key

role in supplying energy to our region. We operate the \$27 billion North West Shelf project and our Pluto LNG project which is due to be completed at the end of 2010. We are already planning for an expansion of Pluto, and we are seeking to develop the Browse LNG development in Australia's Kimberley region and Sunrise off the northern coast.

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